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# MARYLAND COMMISSIONER OF FINANCIAL REGULATION INDUSTRY ADVISORY REGULATORY GUIDANCE

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July 29, 2021

## Financial Institutions – Security Questions and Measures

During the 2021 session, the General Assembly passed Senate Bill 185, which becomes effective on October 1, 2021, and enacts Md. Code Ann., Financial Institutions (“FI”) § 1-212 for the purpose of improving the security of the financial information of financial institution customers. “Financial institution” is defined in FI § 1-101(j) and means any financial institution of the type supervised by the Office of the Commissioner whether or not the institution is State-chartered.

FI § 1-212 will provide that if a financial institution requires a customer to provide an answer to a security question in connection with the provision of an account, the financial institution shall allow the customer to choose from at least two security question options for each required security question. This requirement shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any customer accounts created before the effective date of October 1, 2021.

### Contact

For questions about this advisory, please contact Michelle A. Denoncourt, Assistant Commissioner - Corporate Activities by phone at (410) 230-6104 or by email at [michelle.denoncourt@maryland.gov](mailto:michelle.denoncourt@maryland.gov).

*The Office of the Commissioner of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's consumer financial protection agency and financial services regulator. For more information, please visit our website at [www.labor.maryland.gov/finance](http://www.labor.maryland.gov/finance).*

